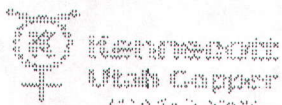


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**RIO
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Copper Mining**

*I don't think we need
do we?*

Fax**To:** STATE OF UTAH DEPT OF NATURAL RESOURCES**From:** Denise Steedman**Fax:** 801-359-3940**Pages:** 3 Total**Phone:** 801-538-5340**Date:** 4/17/2007**Re:** Vendor Communications**CC:**☒ **Urgent**☒ **For Review**☐ **Please Comment**☐ **Please Reply**☐ **Please Recycle****• Comments:****RECEIVED**

APR 18 2007

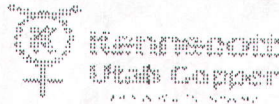
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APR 17 2007

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Copper Mining**

April 17, 2007

To: All Vendors of Kennecott Utah Copper (KUC), Rio Tinto Shared Services (RTSS) and Rio Tinto Procurement (RTP) and Resolution Copper LLC

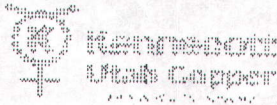
Subject: Notification of Changes to the *Purchase to Pay* Process – May 1, 2007 Go-Live Date

We are announcing the implementation date for the changes to our *Purchase to Pay* process and underlying business system that were communicated to you earlier this year. Please read carefully as there are a number of changes leading up to our go-live date of **May 1, 2007** that will impact you as a vendor to Kennecott Utah Copper, Rio Tinto Shared Services, Rio Tinto Procurement, or Resolution Copper Mining LLC.

What are the impacts to you as a vendor?

1. Material deliveries to all sites will be cut off at 12 p.m. Friday, April 27. Deliveries will resume on Tuesday, May 1.
2. Our business system for processing purchase orders will be unavailable from 5 p.m. April 26 through 8 a.m. May 1. During this time, purchasing officers will issue manual purchase orders via fax or e-mail for items required for urgent delivery. Only purchase orders placed by an authorized purchasing officer and containing a purchase order number will be processed for payment when the business system resumes operation on May 1.
3. Delivery of Vendor-Held (VHS) materials, with the exception of bulk commodities, will be cut off on Friday, April 20 to meet payment processing deadlines. Under the current process, VHS materials are ordered via a warehouse requisition rather than a purchase order and are required to be delivered with 24 hours of order placement. Any VHS order not delivered by April 20 will be cancelled and you will be notified of its cancellation. If the material is still needed, we will re-issue the requirement as a purchase order. Beginning Saturday, April 21, all VHS orders will be placed via a purchase order rather than a warehouse requisition.
4. Delivery of VHS bulk commodity materials will continue as normal. Under the current process, bulk commodity materials are ordered via a warehouse requisition based on quantities delivered by the vendor. In order to meet payment processing cutoffs for VHS materials, you must deliver all proofs of delivery to the cross-dock per the current process by 5 p.m. April 20 for all deliveries made through April 20. All deliveries received from April 21 to April 30 will be processed for payment when the new business system resumes operation on May 1.
5. Delivery of Vendor-Managed (VMS) materials will be cut off on Friday, April 20 to meet payment processing deadlines. Under the current process VMS materials are "bin-fill" items managed by the vendor and ordered via a warehouse requisition based on quantities delivered by the vendor. Please deliver enough VMS material prior to April 20 to meet the needs during the delivery blackout of April 21 to April 30. VMS deliveries will resume on May 1.
6. Time Sheet Entry and Payment Requests in the Contractor Management System (CMS) will be available through Thursday, April 26 and then unavailable from Friday, April 27 to Monday, April 30. These activities will resume in the new business system using the External Resource Management (ERM) function on Tuesday May 1. CMS PO's that are open as of the May 1 go-live will be converted

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into the new business system and have the prefix "KUCC" added to the PO number. For example, if the old PO number is "F12345", then the converted PO number will be "KUCCF12345". Please create time sheets and payment requests in ERM against the new, converted PO number as of May 1.

We appreciate your attention and cooperation during our cutover period to facilitate a smooth transition to our new business system. If you have any questions, please contact your Kennecott Utah Copper, Rio Tinto Shared Services, Rio Tinto Procurement, or Resolution Copper Mining LLC procurement representative.

Yours sincerely,

Handwritten signature of Jason Combes in cursive.

Jason Combes
Manager, Financial Services
Kennecott Utah Copper

Handwritten signature of Michael Edmonds in cursive.

Michael Edmonds
Director, Financial Services
Rio Tinto Shared Services

Handwritten signature of David Hofeling in cursive.

David Hofeling
Financial Manager/Controller
Resolution Copper Mining LLC

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